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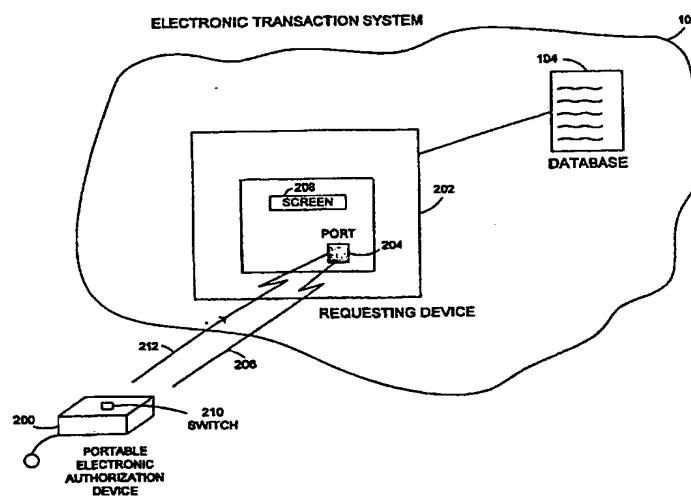
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(54) Title: PORTABLE ELECTRONIC AUTHORIZATION DEVICES AND METHODS THEREFOR



(57) Abstract

A portable electronic authorization device for approving a transaction request originated from an electronic transaction system. The portable electronic authorization device (200) includes first logic circuit configured to receive first digital data representative of the transaction request. There is further included second logic circuit configured to form second digital data responsive to the transaction request received by the first logic circuit if the transaction request is approved by a user of the portable electronic transaction device. The second digital data represents encrypted data signifying an approval by the user of the transaction request. Additionally, the portable electronic authorization device includes transmission circuitry coupled to the second logic circuit. The transmission circuitry is configured to transmit the second digital data from the portable electronic authorization apparatus to the electronic transaction system (202) if the user approves the transaction request.

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PORABLE ELECTRONIC AUTHORIZATION DEVICES AND METHODS THEREFOR

Background of the Invention

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The present invention relates to methods and apparatus for conducting electronic transactions. More particularly, the present invention relates to portable electronic authorization devices (PEADs) which advantageously and substantially eliminate the security risks associated with prior art techniques of approving transactions between a user and an electronic transaction system.

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Electronic transaction systems are known. An electronic transaction system typically permits a user to conduct designated transactions electronically, which substantially improves efficiency and convenience to the user. Examples of electronic transactions include transactions conducted via computer networks, automated teller machines (ATM's), automated point-of-sale systems, automated library systems, and the like. Transactions conducted via computer networks may encompass a wide range of transactions, including exchanging information and data via a computer network popularly known as the Internet, e.g., to make a purchase from a vendor on the network. ATM's typically permit users to conduct financial transactions (such as withdrawals, transfers, deposits, and the like) vis-à-vis a financial institution in an electronic manner. Automated point-of-sale systems may be employed by merchants to permit users to purchase products or services using the users' electronic account, and automated library systems may be employed to permit library users to check out and return library materials. Other examples of electronic transaction systems are readily available in popular literature and are not enumerated herein for brevity sake.

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To enhance security to the user's account, electronic transaction systems typically request the user to provide identification data to authenticate himself as the user authorized to approve the proposed transaction or transactions. If the user fails to provide the requested identification data, the proposed transaction or transactions are not authorized and will not be processed. The identification data may be required with each transaction. By way of example, an automated point-of-sale system may require the user to approve a purchase transaction and will accept an approval message only if it is satisfied that the person approving the transaction has furnished adequate identifying data authenticating himself as the person authorized to perform the approval. Alternatively, the identification data may be

entered by the user at the start of a session to authenticate himself and enable that user to subsequently perform any number of transactions without further authentication.

In the prior art, users are typically required to manually enter the identification data into the electronic transaction system for authentication. Typically, the entry of identification data involves typing in a password on a numeric keypad or on a keyboard. The identification data is then compared with data previously stored within the electronic transaction system, and authentication is satisfied when there is a match. As mentioned previously, the transaction or transactions proposed will not be allowed to proceed if there is no match.

Although prior art electronic transaction systems provide some protection from unauthorized access and use of the user's account, there are disadvantages. To illustrate certain disadvantages associated with prior art electronic transaction systems, reference may be made to Fig. 1 herein. Fig. 1 shows an automated teller machine (ATM) 100, representing the requesting device of an electronic transaction system 102. Electronic transaction system 102 may include, for example, a central database 104 which contains previously-stored identification data and account data of user 106.

To initiate a typical transaction with ATM 100, user 106 first inserts a data card 107, such as a bank card or a credit card, into a card reader 109. Data card 107 typically includes a magnetic stripe that contains the account number and other information related to the user, which may then be read by card reader 109. The data stored in data card 107 enables electronic transaction system 102 to ascertain which account in database 104 user 106 wishes to transact business.

Via a keypad 108 on ATM 100, user 106 may then be able to enter his identification data, e.g., his personal identification number (PIN), to authenticate himself. If the entered identification data matches the identification data stored with the account in database 104 that is identified by data card 107, the user is authenticated and granted access to his account. If there is no match, authentication fails. After authentication, user 106 may be able to, for example, employ a combination of keypad 108 and a screen 110 to withdraw cash from his account, which results in cash being dispensed from ATM 100 and the balance in his account within database 104 correspondingly reduced.

Theoretically, the identification data entered into ATM 100 should be secure. In reality, there are many potential security risks to the identification data in prior art authentication techniques. Since the identification data is not encrypted before being entered into ATM 100, the non-encrypted identification data is vulnerable to unauthorized access and procurement. Encryption of the identification data is not practical in the prior art since it would have been too

complicated and/or inconvenient for the user to perform encryption or memorize the encrypted identification data. Unauthorized procurement of the identification data in the prior art may occur, for example, upon entry if it is inadvertently seen by another party, e.g., by another person behind user 106, either on screen 110 or more likely at keypad 108.

5 Even if encryption is employed on the identification data in the prior art, e.g., prior to transmission from ATM 100 to database 104, the encryption typically occurs within ATM 100 and still requires the entry of non-encrypted identification data from user 106 and the existence of the identification data for some duration of time in ATM 100. Unauthorized access to the identification data may then occur if an unauthorized party is able to gain entry
10 into ATM 100 and intercepts, e.g., via software or hardware implemented in ATM 100, the non-encrypted identification data therein.

15 Furthermore, if public key cryptography is employed within ATM 100, the storage of the user's private key within ATM 100 renders this private key vulnerable to theft, further exposing the user's account to risk. The stolen password and/or private key may then be employed to allow unauthorized persons to access the user's account to the user's detriment.

20 In view of the foregoing, there are desired apparatus and methods for conducting transactions with the electronic transaction system while substantially eliminate the risk of unauthorized access to the user's account and unauthorized procurement of the user identification data. Preferably, such an apparatus should be easily portable to permit the user to conveniently and comfortably perform transaction authentication anywhere.

Summary of the Invention

The present invention relates, in one embodiment, to a method in a portable electronic authorization device for approving a transaction request originated from an electronic transaction system. The method includes receiving at the portable electronic authorization device first digital data, the first digital data representing the transaction request. The method further includes transmitting a second digital data to the electronic transaction system if the transaction request is approved by a user of the portable electronic authorization device. The second digital data is encrypted by circuitries within the portable electronic authorization device and signifies the user's approval of the transaction request.

In another embodiment, the invention relates to a portable electronic authorization device for approving a transaction request originated from an electronic transaction system. The inventive portable electronic authorization device includes first logic circuit configured to receive first digital data representative of the transaction request. There is further included second logic circuit configured to form second digital data responsive to the transaction request received by the first logic circuit if the transaction request is approved by a user of the portable electronic transaction device. The second digital data represents encrypted data signifying an approval by the user of the transaction request. Additionally, the inventive portable electronic authorization device includes transmission circuitry coupled to the second logic circuit. The transmission circuitry is configured to transmit the second digital data from the portable electronic authorization apparatus to the electronic transaction system if the user approves the transaction request.

These and other advantages of the present invention will become apparent upon reading the following detailed descriptions and studying the various figures of the drawings.

Brief Description of the Drawings

To facilitate discussion, Fig. 1 shows a prior art electronic transaction system, including an automated teller machine (ATM).

5 Fig. 2 illustrates, in accordance with one embodiment of the present invention, a portable electronic authorization device (PEAD), representing the apparatus for securely approving transactions conducted vis-à-vis an electronic transaction system.

Fig. 3A shows, in one embodiment of the present invention, a simplified schematic of the PEAD of Fig. 2.

10 Fig. 3B shows, in one embodiment, the format of representative transaction approval data.

Fig. 4 illustrates, in accordance with one embodiment of the present invention, a logic block schematic of the PEAD.

15 Fig. 5A represents, in accordance with one embodiment of the present invention, a high level hardware implementation of the PEAD.

Fig. 5B illustrates one implementation of a PEAD wherein the PEAD circuitries are implemented on an IC.

Fig. 5C represents an external view of the PEAD of Fig. 5B after being embedded in a card-like package.

20 Fig. 6A illustrates an external view of the PEAD in accordance with a preferred embodiment of the present invention.

Fig. 6B illustrates, in a simplified manner and in accordance with one aspect of the present invention, the hardware for implementing the PEAD of Fig. 6A

25 Fig. 7 is a flowchart illustrating, in accordance with one aspect of the present invention, the approval technique employing the inventive PEAD.

Fig. 8 is a flowchart illustrating, in accordance with one aspect of the present invention, steps involved in encrypting transaction approval data using a public key cryptography technique.

Detailed Description of the Preferred Embodiments

Fig. 2 illustrates, in accordance with one embodiment of the present invention, a portable electronic authorization device (PEAD) 200, representing the apparatus for securely 5 approving transactions conducted vis-à-vis an electronic transaction system. With reference to Fig. 2, requesting device 202 may initiate a transaction approval process with PEAD 200 by transmitting to PEAD 200, via communication port 204, a transaction request pertaining 10 to a proposed transaction. Requesting device 202 may represent, for example, an ATM machine, a computer terminal in a network, an automated library check-out terminal, or similar devices for permitting the user to transact business with the electronic transaction 15 system. The proposed transaction may be, for example, a sale transaction of a particular item for a certain amount of money. The transaction request itself may include, for example, the transaction ID, the merchant's name, the merchant's ID, the time of the proposed purchase, and the like. In one embodiment, the transaction request from requesting device 202 may be encrypted for enhanced security but this is not required. Data pertaining to the proposed transaction reaches PEAD 200 via path 206 in Fig. 2.

Port 204 may represent an infrared port to facilitate infrared communication with PEAD 200. Alternatively, port 204 may represent a wireless port for facilitating wireless communication. Port 204 may even represent a contact-type connection port, such as a 20 magnetic read/write mechanism or a plug having electrical contacts for directly plugging PEAD 200 into port 204 to facilitate communication. Other techniques to facilitate communication between requesting device 202 and PEAD 200 are readily appreciable to those skilled.

The data pertaining to proposed transaction(s) may then be reviewed by the user, 25 either on a screen 208 of requesting device 202 or optionally on a display screen provided with PEAD 200 (not shown in Fig. 2). If the user approves the transaction, e.g., a purchase of an item for a given amount of money, the user may then signify his approval by activating a switch 210 on PEAD 200, which causes an approval message to be created with the user's identification data, encrypted and transmitted back to requesting device 202 via 30 path 212. If the transaction is not approved, the user may simply do nothing and let the transaction request times out after an elapsed time or may activate another switch on PEAD 200 (not shown in Fig. 1), which causes a reject message, either encrypted or non-encrypted, to be transmitted back to the requesting device 202 via path 212.

The present invention is different from the prior art technique of Fig. 1 in that the user is required in the prior art to enter his identification data into the electronic transaction system, e.g., into ATM 100, to authenticate himself. In contrast, the present invention keeps the identification data related to the user secure within PEAD 200 at all times.

5 Transaction approval occurs within PEAD 200, and the data representing such approval is encrypted, again within PEAD 200, prior to being transmitted to the electronic transaction system, e.g., to requesting device 202 in Fig. 2.

Accordingly, even if the approval data is intercepted, its encryption would prevent unauthorized users from employing the identification data for illicit purposes. If public key 10 cryptography is employed to encrypt the approval data, the user's private key is also always kept within PEAD 200. Since the user's private key is required for encryption and is unknown to others, even to the electronic transaction system in one embodiment, the encrypted approval data, if intercepted, would be useless to unauthorized third parties even if the approval data can be deciphered using the user's public key. Again, this is different 15 from prior art authentication techniques wherein encryption takes place within the electronic transaction system and requires the entry of the identification data and/or reading the user's private key from the ID card such as an ATM card, a credit card, and the like. As mentioned earlier, the fact that the prior art electronic transaction system requires this identification data and/or user's private key exposes these data to risks, e.g., if the requesting device is not 20 secure or open to data interception via software or hardware.

As another difference, the present invention employs the circuitries within the portable electronic authorization device (PEAD) to perform the approval and encryption of the transaction approval data within the PEAD itself. In contrast, prior art data cards are essentially passive devices. For example, prior art ATM cards or credit cards only has a 25 magnetic stripe for storing account information and do not have any facility to perform approval and/or encryption of the transaction approval data. While smart cards or IC cards, which are currently being developed, may contain electronic circuitries, current standards for their implementation still requires a reader associated with the requesting device to read out the identification data and/or user's private key in order for the requesting device to perform 30 any approval and/or encryption. As mentioned earlier, the transmission of these data to the requesting device unnecessarily exposes these data to risks of theft and/or unauthorized interception once transmitted.

It should be borne in mind at this point that although public key cryptography is discussed throughout this disclosure to facilitate ease of understanding and to highlight a 35 particular aspect of the invention, the overall invention is not limited to any particular cryptography algorithm and may be implemented using any conventional cryptography technique, including public key cryptography algorithms such as RSA, Diffie-Hellman,

other discrete logarithm systems, elliptic curve systems, or the like. For additional information on some of the different public key cryptography techniques, reference may be made to, for example, the IEEE P1363 Working Draft dated August 22, 1996, available from IEEE Standards Dept. 345 East 7th Street, New York, New York 10017-2349.

5 As mentioned, transaction approval in the prior art occurs within the electronic transaction system. In contrast, the present invention allows transaction approvals to occur within PEAD 200. The fact that transaction approvals occur entirely within PEAD 200 provides many advantages. By way of example, this feature eliminates the need to have, in one embodiment, the identification data and/or the user's private key in the requesting 10 device. The fact that transaction approvals occur entirely within PEAD 200 (using the user identification data and/or the user's private encryption key that are always kept secure within PEAD 200) substantially enhances the confidentiality of the user identification data and the user's private key, as well as the integrity of the transaction approval process.

15 Since approval occurs entirely within PEAD 200, the user identification data that is employed to authenticate transactions may be more complicated and elaborate to ensure greater security. By way of example, the user identification data may be more elaborate than a simple password and may include any of the user's name, his birth date, his social security number, or other unique biometrics or unique identifying data such as fingerprint, DNA coding sequence, voice print, or the like. In contrast, prior art authentication techniques 20 limit the user identification data to simple patterns, e.g., simple password of few characters, that are easily memorized by the user since more elaborate identification data may be too difficult to remember or too cumbersome to manually enter. Furthermore, even if the complicated ID data may be stored in the prior art data card, it is still required to be read into the requesting device of the electronic transaction system, again exposing this data to 25 interception or theft once read.

30 Additional safeguards, which will be described in detail herein, may also be provided to prevent access, whether electronically or by physical means, to the user identification data and/or the user's private key within PEAD 200. Since the identification data and/or the user's private key are never exposed, security risks to these data are substantially minimized.

35 Fig. 3A shows, in one embodiment of the present invention, a simplified schematic of PEAD 200 of Fig. 2, including switch 210. Data path 206 is provided for receiving transaction requests from the electronic transaction system, and data path 212 is provided for transmitting transaction approval data back to the electronic transaction system. It should be borne in mind that although two data paths are discussed herein for ease of understanding, these data paths and other data paths herein may, in one embodiment, represent logical data

paths and may be implemented via a single physical data connection. Likewise, the different ports herein may represent, in one embodiment, logical data ports for ease of understanding and may in fact be implemented using a single physical port.

When a transaction request, e.g., a withdrawal transaction from an ATM machine in 5 the amount of \$200.00, is transmitted via data path 206 to PEAD 200, this transaction is received by encryption logic 300. At this point, the user may review the proposed transaction, e.g., via the display screen provided with the electronic transaction system and/or PEAD 200, and has a choice to either approve or disapprove the proposed 10 transaction. If the user approves the transaction, he may, in one embodiment, activate a switch 210, which causes the transaction approval data to be created and then encrypted by encryption logic 300 prior to being transmitted back to the electronic transaction system via path 212.

Note that the user identification data block 302, which is employed in the transaction 15 approval process, is not directly coupled to paths 206 and 212. In other words, the memory portion storing the user identification data is intentionally decoupled from the input and output ports of PEAD 200 to prevent direct access thereto.

If access to user identification data 302 is desired, e.g., to approve a transaction, the 20 access can only be made by encryption logic block 300. Likewise, it is not possible to directly access the memory portion 304, which stores the user's private key. If access to user's private key 304 is desired, e.g., to encrypt the transaction approval data, the access 25 can only be made by encryption logic block 300. It should be borne in mind that although user identification 302 and user's private key 304 are shown stored in different memory portions, such illustration is made for ease of understanding and both of these may in fact be stored, in one embodiment, at different addresses on the same memory module.

25 In some cases, the transaction approval data requires the inclusion of certain pieces of identification data 302. For example, a transaction embodied in the transaction request from the electronic transaction system may be appended with data representative of an "electronic signature" prior to being encrypted and retransmitted back to the electronic transaction system. Fig. 3B shows, in one embodiment, the format of representative 30 transaction approval data 350. With reference to Fig. 3B, transaction data 352, representing a portion of or the entire transaction request received from the electronic transaction system, is appended with certain user identification data 354 and optionally a time stamp 356. The formation of transaction approval data 350 only occurs if the transaction request has already been approved by the user. Once appended, transaction approval data 350 is then encrypted 35 prior to being retransmitted back to the electronic transaction system.

In some cases, it may be desirable to encrypt the transaction request prior to transmission to the PEAD to further enhance security. For example, certain transaction partners, e.g., vendors or other users on the computer network, may wish to keep the information within a transaction request confidential and may prefer to encrypt the 5 transaction request before furnishing it to the PEAD. Data encryption is also desirable when, for example, the user identification data and the user's private key is written into a blank PEAD for the first time to configure a PEAD that is unique to a given user. The configuration data pertaining the user identification data and the user's private key, while must be written only once into PEAD 200 by the issuer of PEAD 200, is preferably 10 encrypted to render them less vulnerable to theft. Issuers of PEAD 200 may represent, for example, credit card issuers, the government, or any other institution with whom the user maintains an account.

Fig. 4 illustrates, in accordance with one embodiment of the present invention, a schematic of PEAD 200 of Fig. 2. The PEAD 200 of Fig. 4 further employs decryption 15 logic for receiving the encrypted configuration data and optionally the encrypted transaction requests. In Fig. 4, encryption logic 300, user's private key 304, and data paths 206 and 212 are arranged and function substantially as discussed in connection with Fig. 3A.

Transaction requests are normally non-encrypted, i.e., they are received and processed in the manner discussed in connection with Fig. 3A. For highly sensitive 20 transactions, however, the transaction requests may be encrypted and transmitted to PEAD 200 via data path 206 and input into decryption logic 402 to be decrypted. If a public key cryptography is employed, the encrypted transaction requests may be decrypted with a transaction partner public key 404.

Once decrypted, the transaction request is then displayed to the user for approval. 25 The transaction approval data may be furnished to encryption logic 300 via path 406 to be encrypted if approved, e.g., responsive to the activation of switch 210. The encryption is preferably performed with the user's private key 304 if a public key cryptography technique is employed, and the encrypted transaction approval data is then transmitted back to the electronic transaction system via data path 212.

30 As configuration data typically includes sensitive user identification data and user's private key, it is often encrypted prior to being transmitted to PEAD 200 via data path 408. The encrypted configuration data is received by decryption logic 402 and decrypted therein prior to being written into user identification data block 410 and user's private key block 304. If public key cryptography is employed, the encrypted configuration data may be 35 encrypted by the issuer's private key in the electronic transaction system prior to transmission and decrypted once received by PEAD 200 with an issuer public key 412.

Note that once the configuration data is decrypted and written into user identification data block 410 and user's private key block 304, the user identification data and user's private key can only be accessed subsequently by encryption logic 300. Also note that there is no direct connection from any of the I/O data paths, e.g., data path 206, 212, or 408, to user identification data block 410 as well to user's private key block 304. Advantageously, the sensitive user identification data and user's private key therein are not susceptible to access from outside once written into respective blocks 410 and 304 (which may, in one implementation, simply represent memory blocks in PEAD 200's memory).

Additionally, the user identification data and the user's private key cannot be updated by those not having the issuer's private key. As represented in Fig. 4, data can only be written into user's private key block 304 and user identification block 410 after it is decrypted via decryption logic 402 with issuer public key 412. Accordingly, unless the updated configuration data has been encrypted using the issuer's private key (which is presumably highly secure), the updated configuration data will not be decrypted and written into respective blocks 304 and 410. Of course if the configuration data within blocks 304 and 410 cannot be updated physically, e.g., they are stored using memory that can be written only once such as PROM (programmable read-only memory), WORM (write once, read many), or the like, the security consideration associated with unauthorized alteration of configuration data is substantially eliminated.

If a greater level of security is desired, the user's private key may be optionally be scrambled or randomized prior to being written into user's private key block 304 by optional scrambler/descrambler logic 413. Scrambler/descrambler logic 413 may, in one embodiment, receive the user's private key, which is furnished by the institution that issues PEAD 200 to the user, and scrambles and/or randomizes it to generate yet another user's private key and a corresponding user's public key. This scrambled/randomized user's private key is then stored in user's private key block 304, which is now unknown even to the issuer of PEAD 200, and the corresponding user's public key may be made known to the issuer and/or the transaction partners to facilitate transactions. Advantageously, there is no other copy of the scrambled/randomized user's private key anywhere else beside within user's private key block 304.

In an alternative embodiment, there may be employed an optional key generation logic 414 which, responsive to a request from the issuing institution, generates the user's private key and the user's public key on its own, i.e., without first requiring the receipt of a user's private key from the issuing institution and randomizing it. The generated user's private key is then stored in private key block 304 and the public key is made known to the issuing institution and/or the transaction partners to facilitate transactions. In this manner, no version of the user's private key, whether randomized or not, exists outside the PEAD

itself. As can be appreciated by those skilled in the art, the use of key generation logic 414 further enhances the confidentiality of the user's private key.

Fig. 5A represents, in accordance with one embodiment of the present invention, a high level hardware implementation of PEAD 200. As shown in Fig. 5A, PEAD 200 includes logic circuitry 502, which may represent a central processing unit such as a microprocessor or a microcontroller, discrete logic, programmable logic, an application-specific integrated circuit (ASIC), or the like, for implementing encryption logic 300 of Fig. 2 and optionally decryption logic 402 of Fig. 4.

Program/data memory 504 stores, among others, the codes which operate PEAD 200 as well as the user identification data and the user's private key. Program/data memory 504 is preferably implemented using some form of non-volatile memory (NVM) such as flash memory, electrically programmable read-only memory (EPROM), electrically erasable, programmable read-only memory (EEPROM), or the like. Temporary memory 506 serves as a scratch pad for calculation purposes and for temporary storage of data, and may be implemented using some form of random access memory (RAM) such as static RAM or dynamic RAM, which are known in the art. Alternatively, either optical memory, magnetic memory, or other types of memory may be employed to implement program/data memory 504 and/or temporary memory 506.

A bus 508 couples program/data memory 504 and temporary memory 506 with logic circuitry 502. Communication port 510 represents the communication gateway between PEAD 200 and the electronic transaction system and may be implemented using infrared technology, wireless RF technology, a magnetic read/write head, a contact-type plug for facilitating serial or parallel data transmission, or the like. Communication port may also represent, in one embodiment, a PC card port (popularly known to those skilled as a PCMCIA card). Data path 206 inputs transaction requests into logic circuitry 502 while data path 212 outputs transaction approval data from logic circuitry 502 to the electronic transaction system. Optional data path 408, which has been described in Fig. 4, inputs configuration data into PEAD 200 to write the user identification data and the user's private key into program/data memory 504 to uniquely configure PEAD 200 to a particular user.

Again, note that access to program/data memory 504 and the data therein (e.g., the user identification data and the user's private key) can only be made by logic circuitry 502. For example, the user identification data and the user's private key can only be written into program/data memory 504 if this data has been properly encrypted with the issuer's private key. Access to these memory blocks for writing thereto may also be restricted by logic circuitry 502 under appropriate software and/or firmware control.

Similarly, reading the user identification data and accessing the user's private key can only be accomplished via the encryption logic of logic circuitry 502. The advantages to security of this aspect has been discussed in connection with Figs. 3A and 4, the most important point being there is preferably no direct access to the sensitive user identification data and user's private key from the outside. Consequently, the confidentiality and security of these data items are greatly enhanced with the inventive design.

Some type of power source, such as a battery, may be provided as well. If PEAD 200 is implemented as a single-chip design, i.e., substantially all components shown in Fig. 5A are fabricated on a single die, then power is external to the die itself. If contact-type communication is employed, e.g., if PEAD 200 must be plugged into the electronic transaction system to conduct transactions, power external to the entire PEAD may be employed for transaction approvals when plugged in, thereby eliminating the size, weight, and cost penalties associated with having a battery onboard the portable transaction apparatus.

In one embodiment, PEAD 200 may be implemented using a general purpose portable computing device, such as any of the miniaturized portable computers or personal digital assistants (PDA's) that are currently popular. A PDA such as the Apple Newton®, for example, may be employed to implement PEAD 200.

Fig. 5B illustrates one implementation of a PEAD wherein the circuitries are implemented on an IC. In Fig. 5B, components having like reference numbers to components in Fig. 5A have similar functions. Data paths 408, 206, and 212, which have been described in connection with Fig. 5A, is coupled to a serial I/O circuit 520, which facilitates data transmission and receipt in a serial manner on data path 522 between PEAD 200 and the electronic transaction system. Vcc pin 524 and ground pin 526, which provide power to PEAD 200 of Fig. 5B, are also shown.

Fig. 5C represents an external view of the PEAD of Fig. 5B after being embedded in a card-like package for ease of carrying and insertion into a serial I/O port of the electronic transaction system. Card 550, which embeds the integrated circuit implementing the inventive PEAD, includes, in one embodiment, four external contacts. External serial contacts 552 and 554 carry data and ground respectively to facilitate serial communication with a serial device of an electronic transaction system. External Vcc contact 524 and external ground contact 526, which supply power to the PEAD as discussed in connection with Fig. 5A, are also shown. When card 550 is inserted into an electronic transaction system, it is powered through external contacts 524 and 526, thereby enabling the PEAD circuitries therein to receive transaction requests via external serial contacts 552 and 554, approve the requests within the PEAD if appropriate, encrypt transaction approval data

within the PEAD circuitries, and serially communicate the encrypted transaction approval data to the electronic transaction system via external serial contacts 552 and 554.

Fig. 6A represents an external view of a PEAD in accordance with a preferred embodiment of the present invention. PEAD 200 of Fig. 6A is preferably implemented as a small, self-containing package that is sufficiently ruggedized for daily use in the field. Preferably, PEAD 200 of Fig. 6A is small enough to be comfortably carried with the user at all times, e.g., as a key chain attachment or a small package that can easily fit inside a purse or a wallet. The physical enclosure of PEAD 200 is preferably arranged such that the content will be tamper-proof (i.e., if it is opened in an unauthorized manner then the user's private key and/or the user identification data will be destroyed or the PEAD will no longer be able to approve transactions). By way of example, the enclosure may be arranged such that if it is opened, there is a change in the flow of current in a current path, e.g., either the existing current flow is interrupted or a current path that has been idle starts to flow. The change in the flow of current may then force RE

There is shown an infrared communication port 602 for receiving and transmitting data vis-à-vis the electronic transaction system. A small on/off switch 604 permits the user to turn off the PEAD to conserve power when not in use. Approve button 606 permits the user to signify approval of a proposed transaction. Optional skip button 608 permits the user to indicate rejection of a particular transaction. Skip button 608 may be omitted since a transaction request may be understood, in some embodiment, as not being approved if approve button 606 is not activated within a given period of time after receiving the request.

Optional display 610 may be implemented using any type of display technology such as liquid crystal technology. Displays 610 displays, among others, the transaction being proposed for approval. Display 610 may be omitted if desired, in which case the transaction may be viewed, for example, at a display associated with the electronic transaction system itself. Optional user authentication mechanism 612 prevents PEAD 200 from being used for approving transactions unless the user is able to identify himself to PEAD 200 as the rightful and authorized user. Optional user authentication mechanism 612 may require the user to enter a password, to furnish a fingerprint or a voice print, or other biometrics and/or identifying characteristics specific to the authorized user before PEAD 200 can be activated and employed for approving transactions.

Fig. 6B illustrates, in a simplified manner and in accordance with one aspect of the present invention, the hardware for implementing PEAD 200 of Fig. 6A. Battery 652 provides power to the circuitry of PEAD 200. A microcontroller 654 executes codes stored in flash memory 656 and employs random access memory 658 for the execution. In one embodiment, microcontroller 654, flash memory 656, and even random access memory 658

may be implemented on a single chip, e.g., a NC68HC05SCXX family chip from Motorola Inc. of Schaumburg, Illinois such as the NC68HC05SC28. Approve button 606 and optional skip button 608 are coupled to microcontroller 654 to permit the user to indicate approval or rejection of a particular transaction displayed using display circuitry 660.

5 Communication to and from the electronic transaction system is accomplished under control of microcontroller 654 via an infrared transceiver 662. Power switch 664 permits the user to power off PEAD 200 when not in use to conserve power and to prevent accidental approval.

Fig. 7 is a flowchart illustrating, in accordance with one aspect of the present invention, the approval technique employing the inventive PEAD. In step 702, a transaction request is received at the PEAD from the requesting device associated with the electronic transaction system. In step 704, the user has the option whether to approve or disapprove the transaction proposed. If not approved, e.g., either by activating the skip button of the PEAD or simply allowing the request to time out, nothing will be done.

15 On the other hand, if the user approves the proposed transaction, the user may activate the approve button to create transaction approval data. The transaction approval data is then encrypted in step 708 within the PEAD. In step 710, the encrypted transaction approval data is transmitted to the requesting device of the electronic transaction system after being encrypted.

20 Fig. 8 is a flowchart illustrating, in accordance with one aspect of the present invention, the steps involved in encrypting transaction approval data using public key cryptography. In step 802, the transaction approval data package is created. As discussed earlier in connection with Fig. 3B, the transaction approval data may be created by appending any necessary user identification data to a portion of or the entire transaction 25 request. Optionally, a time stamp may also be appended thereto. In step 804, the transaction approval data is encrypted using the user's private key, which is preferably kept secured at all times within the PEAD. Thereafter, the encrypted transaction approval data is transmitted back to the electronic transaction system.

30 In accordance with one aspect of the present invention, it is recognized that even if the encrypted transaction approval data is intercepted and decrypted for analysis by a third party, it is not possible to bypass the security features of the invention as long as the user's 35 private key or the user identification data is secure. As mentioned earlier, since the user identification data is not accessible externally, it is always secure within the PEAD. This is unlike the prior art wherein the user is required to enter the identification data, e.g., password, at the electronic transaction system and risks exposure of this sensitive data.

Even if the user identification data is compromised, transaction approval still cannot take place unless there is possession of the user's private key. It would be useless to intercept the encrypted transaction approval data even if one can decrypt it using the user's public key since the transaction partner, e.g., the merchant requesting approval of the 5 transaction, will not accept any transaction approval data not encrypted using the user's private key. Again, since the private key is not accessible externally, it is always secure within the PEAD. This aspect of the invention has great advantages in performing on-line transactions since the user's private key no longer has to be stored in a vulnerable computer file in a workstation, which may be accessible by other parties and may be difficult to 10 conveniently tote along for other authentication tasks.

The fact that the PEAD is implemented in a small, portable package makes it convenient and comfortable for the user to maintain the PEAD within his possession at all times. Even if the PEAD is physically stolen, however, the optional user authentication mechanism, e.g., user authentication mechanism 612 of Fig. 6A, provides an additional 15 level of protection and renders the PEAD useless to all but the properly authenticated user. Of course the user can always notify the issuer of the PEAD if the PEAD is stolen or lost, and the issuer can inform transaction partners to refuse any transaction approval data encrypted with the user's private key of the stolen PEAD.

The fact that the transaction approval data includes the time stamp, the merchant's 20 name, the amount approved, and other relevant data also enhances the integrity of the transaction approval process. If the merchant inadvertently or intentionally submits multiple transaction approvals to the issuer, the issuer may be able to recognize from these data items that the submissions are duplicates and ignore any duplicate transaction approval data. For example, the issuer may recognize that it is unlikely for a user to purchase multiple identical 25 dinners at the same restaurant at a given time and date.

While this invention has been described in terms of several preferred embodiments, there are alterations, permutations, and equivalents which fall within the scope of this invention. It should also be noted that there are many alternative ways of implementing the methods and apparatuses of the present invention. By way of example, while the discussion herein has 30 focused on transaction approvals, it should be apparent to those skilled that the PEAD may be employed to conduct any kind of transaction vis-à-vis an electronic transaction system any time secured data transmission from the user to the electronic transaction system is preferred. For example, the PEAD may be employed for logging into highly sensitive computer systems or facilities. When so implemented, the computer terminal with which the PEAD communicates 35 may be equipped with an infrared port, a magnetic reader port, or a contact-type plug for communication with the PEAD. The user may then employ the PEAD to perform any type of authentication tasks online.

As a further example, the PEAD may be employed to "sign" any computer file for authentication purposes (e.g., to authenticate the date or the user). The transaction approval data may then be saved along with the file to be authenticated for future reference. Note that the transaction authentication data is again tamper-proof since any transaction authentication data not 5 encrypted using the user's private key will not be accepted as authentic. Also, it should be apparent that if the PEAD is employed to approve only predefined transactions, the transaction data may be stored in advance within the PEAD and do not need to be received from externally by the PEAD. It is therefore intended that the following appended claims be interpreted as including all such alterations, permutations, and equivalents as fall within the true spirit and 10 scope of the present invention.

C L A I M S

1. In a portable electronic authorization device, a method for approving a transaction request originated from an electronic transaction system, comprising:

5 receiving at said portable electronic authorization device first digital data, said first digital data representing said transaction request; and

if said transaction request is approved by a user of said portable electronic authorization device, transmitting a second digital data to said electronic transaction system, said second digital data being encrypted by circuitries within said portable electronic authorization device and 10 signifies said user's approval of said transaction request.

2. The method of claim 1 wherein said second digital data includes at least a portion of said transaction request.

15 3. The method of claim 1 wherein said second digital data is encrypted with a user's private key using public key cryptography, said user's private key being kept within said portable electronic authorization device thereby eliminating a need to exchange said user's private key between said portable electronic authorization device and said electronic transaction system for approving said transaction request.

20

4 The method of claim 3 wherein said user's private key is generated by a key generation logic within said portable electronic authorization device.

5. The method of claim 1 further comprising:

25 authenticating said user prior to permitting said user to approve said transaction request using said portable electronic authorization device, said authenticating requires one of a password, a finger print, a voice print at a user authentication mechanism associated with said portable electronic authorization device.

6. The method of claim 1 wherein said transmitting said second digital data is performed via an infrared communication port associated with said portable electronic authorization device.

5

7. The method of claim 1 wherein said transmitting said second digital data is performed via a contact-type serial communication port associated with said portable electronic authorization device.

10 8. The method of claim 1 further comprising displaying said transaction request for viewing by said user on a display screen associated with said portable electronic authorization device.

15 9. The method of claim 1 wherein said transaction request represents a request for authenticating an electronic file, said second digital data includes an electronic signature for authenticating said electronic file.

20 10. The method of claim 1 further comprising activating an approval switch associated with said portable electronic authorization device if said transaction request is approved by said user, said activating said approval switch causing said second digital device to be transmitted from said portable electronic authorization device to said electronic transaction system..

25 11. The method of claim 1 wherein said first digital data represents an encrypted version of said transaction request encrypted using public key cryptography with a private key associated with a transaction partner, wherein said receiving further comprising decrypting, using decryption logic associated with said portable electronic authorization device, said first digital data using a public key associated with said transaction partner.

12. The method of claim 1 wherein said portable electronic authorization device is enclosed in a tamper-proof enclosure, said tamper-proof enclosure being configured to prevent said user's private key from being extracted from said portable electronic authorization device if said tamper-proof enclosure has been tampered with.

5

13. The method of claim 1 wherein said portable electronic authorization device is implemented on a single chip.

10 14. The method of claim 1 wherein said transmitting said second digital data is performed via a PC card communication port associated with said portable electronic authorization device.

15 15. The method of claim 14 wherein said transaction request represents a transaction request for a transaction conducted via a computer network, said electronic transaction system includes a computer coupled to said computer network, said portable electronic authorization device configured for plugging into a PC card slot of said computer to facilitate said receiving said first digital data.

20 16. The method of claim 13 wherein said portable electronic authorization device is configured for portability and includes a power source.

17. The method of claim 1 wherein said second digital data comprises at least a portion of said transaction request, said transaction approval data further comprising identification data pertaining said user and a time stamp.

25

18. The method of claim 1 further comprising configuring said portable electronic authorization device for said user by receiving configuration data from an issuer of an account capable of transaction via said portable electronic authorization device, said configuration data includes at least one of identification data pertaining said user and said private key.

30

19. The method of claim 1 wherein said transmitting said second digital data is performed via a wireless RF communication port associated with said portable electronic authorization device.

5 20. The method of claim 1 wherein said transmitting said second digital data is performed via a contact-type parallel communication port associated with said portable electronic authorization device.

10 21. A portable electronic authorization device for approving a transaction request originated from an electronic transaction system, comprising:

means for receiving at said portable electronic authorization device first digital data, said first digital data representing said transaction request;

15 means within said portable electronic authorization device for forming second digital data responsive to a receipt of said transaction request if a user of said portable electronic authorization device approves said transaction request, said second digital data representing encrypted data signifying said user's approval of said transaction request; and

means, coupled to said forming means, for transmitting said second digital data to said electronic transaction system.

20 22. The portable electronic authorization device of claim 21 wherein said second digital data includes at least a portion of said transaction request.

25 23. The portable electronic authorization device of claim 21 further including first memory means coupled to said forming means for storing a user's private key for use in forming said second digital data in accordance with a public key cryptography technique, wherein said forming means includes encrypting means coupled to said first memory means for creating said encrypted data with said user's private key using said public key cryptography technique, whereby said presence of said user's private key in said first memory means eliminates a need to exchange said user's private key between said portable electronic 30 authorization device and said electronic transaction system for approving said transaction request.

24. The portable electronic authorization device of claim 23 further comprising key generation logic coupled to said first memory means for generating said user's private key within said portable electronic authorization device.

5

25. The portable electronic authorization device of claim 23 further comprising means, coupled to said first memory means, for configuring said portable electronic authorization device for said user, said configuring means receives configuration data from an issuer of an account capable of transaction via said portable electronic authorization device, said configuration data includes at least one of identification data pertaining said user and said private key; and

10

means for writing said configuration data to memory of said portable electronic authorization device.

15 26. The portable electronic authorization device of claim 21 further comprising:

means coupled to said forming means for authenticating said user prior to permitting said user to approve said transaction request using said portable electronic authorization device, said authenticating means requires one of a password, a finger print, and a voice print.

20 27. The portable electronic authorization device of claim 21 wherein said means for transmitting said second digital data includes means for communicating with said electronic transaction system using infrared signals.

25 28. The portable electronic authorization device of claim 21 wherein said means for transmitting said second digital data includes means for communicating with said electronic transaction system using wireless RF signals.

30 29. The portable electronic authorization device of claim 21 wherein said means for transmitting said second digital data includes a contact-type serial port for communicating with said electronic transaction system.

30. The portable electronic authorization device of claim 21 wherein said means for transmitting said second digital data includes a contact-type parallel port for communicating with said electronic transaction system.

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31. The portable electronic authorization device of claim 21 further comprising means, coupled to said receiving means, for displaying said transaction request for viewing by said user.

10

32. The portable electronic authorization device of claim 21 further comprising means, coupled to said forming means, for said user to indicate that said transaction request is approved, said means for said user to indicate that said transaction request is approved causes said second digital data to be transmitted from said portable electronic authorization device to said electronic transaction system.

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33. The portable electronic authorization device of claim C10 wherein said means for said user to indicate that said transaction request is approved represents a switch configured for activation by said user.

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34. The portable electronic authorization device of claim 21 wherein said first digital data represents an encrypted version of said transaction request, said first digital data being encrypted using public key cryptography with a private key associated with a transaction partner, wherein said means for receiving further comprising means for decrypting said first digital data using a public key associated with said transaction partner.

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35. The portable electronic authorization device of claim 21 further comprising tamper-proof enclosure means for enclosing said receiving means, said forming means, and said transmitting means therein, said tamper-proof enclosure means being configured to prevent said user's private key from being extracted from said portable electronic authorization device if said tamper-proof enclosure means has been tampered with.

36. The portable electronic authorization device of claim 21 wherein said means for receiving, means for forming, and means for transmitting are implemented on a single chip.

5 37. The portable electronic authorization device of claim 21 wherein said means for transmitting said second digital data includes a first PC card communication port associated with said portable electronic authorization device.

10 38. The portable electronic authorization device of claim 37 wherein said transaction request represents a transaction request for a transaction conducted via a computer network, said electronic transaction system includes a computer coupled to said computer network, said portable electronic authorization device being configured for plugging into a second PC card communication port of said computer to facilitate receiving said first digital data.

15 39. The portable electronic authorization device of claim 21 further including a power source for providing power to said forming means.

20 40. The portable electronic authorization device of claim 21 wherein said second digital data comprises at least a portion of said transaction request, said second digital data further comprising identification data pertaining said user and a time stamp.

41. The portable electronic authorization device of claim 21 wherein said transaction request represents a request for authenticating an electronic file, said second digital data includes an electronic signature for authenticating said electronic file.

25

42. A portable electronic authorization device for approving a transaction request originated from an electronic transaction system, comprising:

first logic circuit configured to receive first digital data representative of said transaction request;

second logic circuit configured to form second digital data responsive to said transaction request received by said first logic circuit if said transaction request is approved by a user of said portable electronic transaction device, said second digital data representing encrypted data signifying an approval by said user of said transaction request; and

5 transmission circuitry coupled to said second logic circuit, said transmission circuitry being configured to transmit said second digital data from said portable electronic authorization apparatus to said electronic transaction system if said user approves said transaction request.

10 43. The portable electronic authorization device of claim 42 wherein said second digital data includes at least a portion of said transaction request.

15 44. The portable electronic authorization device of claim 42 wherein said first digital data represents an encrypted version of said transaction request, said first digital data being encrypted using public key cryptography with a private key associated with a transaction partner, wherein said first logic circuit comprises decrypting circuitry configured to decrypt said first digital data using a public key associated with said transaction partner.

20 45. The portable electronic authorization device of claim 44 further including first memory circuit coupled to said decrypting circuitry, said first memory circuit being configured for storing a user's private key for use in forming said second digital data in accordance with a public key cryptography technique, wherein said second logic circuit includes encrypting logic coupled to said first memory circuit for creating said encrypted data with said user's private key using said public key cryptography technique, whereby said presence of said user's private key in said first memory circuit eliminates a need to exchange said user's private key between said 25 portable electronic authorization device and said electronic transaction system for approving said transaction request.

30 46 The portable electronic authorization device of claim 45 further comprising key generation logic coupled to said first memory means for generating said user's private key within said portable electronic authorization device.

47 The portable electronic authorization device of claim 46 wherein said first logic circuit comprises receiving circuit coupled to said decrypting logic, said receiving circuit being configured to receive said first digital data from said electronic transaction system prior to passing said first digital data to said decrypting logic for decryption, said receiving circuit being 5 decoupled from said first memory circuit, wherein said user's private key stored in said first memory circuit is inaccessible directly by said receiving logic, thereby preventing said user's private key from being accessed from externally without traversing said decrypting logic.

48 The portable electronic authorization device of claim 47 wherein said 10 transmission circuitry is decoupled from said first memory circuit, wherein said user's private key stored in said first memory circuit is inaccessible directly by said transmission circuit, thereby preventing said user's private key from being accessed from externally without traversing one of said decrypting logic and said encrypting logic.

15 49. The portable electronic authorization device of claim 42 further comprising:

user authentication mechanism coupled to said second logic circuit, said user authentication mechanism being configured to authenticate said user prior to permitting said user to approve said transaction request using said portable electronic authorization device, said authentication mechanism requires one of a password, a finger print, and a voice print.

20

50. The portable electronic authorization device of claim 42 wherein said transmission circuitry includes circuitry configured for communicating with said electronic transaction system using infrared signals.

25 51. The portable electronic authorization device of claim 42 wherein said transmission circuitry includes circuitry configured for communicating with said electronic transaction system using wireless RF signals.

30 52. The portable electronic authorization device of claim 42 wherein said transmission circuitry includes a contact-type serial port for communicating with said electronic transaction system.

53. The portable electronic authorization device of claim 42 wherein said transmission circuitry includes a contact-type parallel port for communicating with said electronic transaction system.

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54. The portable electronic authorization device of claim 42 further comprising a display coupled to said first logic circuit, said display being configured to display said transaction request for viewing by said user.

10 55. The portable electronic authorization device of claim 42 further comprising a switch coupled to said second logic circuit, said switch permitting said user to indicate through activating said switch that said transaction request is approved by said user.

15 56. The portable electronic authorization device of claim 42 further comprising tamper-proof enclosure for enclosing said first logic circuit, said second logic circuit, and said transmission circuitry therein, said tamper-proof enclosure being configured to prevent said user's private key from being extracted from said portable electronic authorization device if said tamper-proof enclosure has been tampered with.

20 57. The portable electronic authorization device of claim 42 wherein said first logic circuit, said second logic circuit, and said transmission circuitry are implemented on a single chip.

25 58. The portable electronic authorization device of claim 42 wherein said transmission circuitry includes a PC card communication port associated with said portable electronic authorization device.

30 59. The portable electronic authorization device of claim 58 wherein said transaction request represents a transaction request for a transaction conducted via a computer network, said electronic transaction system includes a computer coupled to said computer network, said

portable electronic authorization device being configured for plugging into a PC card slot of said computer to facilitate receiving said first digital data.

5 60. The portable electronic authorization device of claim 42 further including a power source to facilitate portability.

10 61. The portable electronic authorization device of claim 42 wherein said second digital data comprises at least a portion of said transaction request, said second digital data further comprising identification data pertaining said user and a time stamp.

15 62. The portable electronic authorization device of claim 42 wherein said transaction request represents a request for authenticating an electronic file, said second digital data includes an electronic signature for authenticating said electronic file.

20 63. In a portable electronic authorization device, a method for approving a transaction request originated from an electronic transaction system, comprising:

25 receiving at said portable electronic authorization device first digital data, said first digital data representing said transaction request;

30 if said transaction request is approved by a user of said portable electronic authorization device, generating second digital data, said second digital data representing transaction approval data signifying said user's approval of said transaction request;

35 encrypting within said portable electronic authorization device said second digital data, thereby creating third digital data representing an encrypted version of said second digital data; and

40 transmitting said third digital data from said portable electronic authorization device to said electronic transaction system, thereby permitting said electronic transaction system to ascertain whether said transaction request is approved by said user.

45 64. The method of claim 63 wherein said encrypting is performed using a public key 50 cryptography technique, said portable electronic authorization device containing a user's private

key for encrypting said second digital data to form said third digital data, thereby eliminating a need to transmit said user's private key from said portable electronic authorization device to said electronic transaction system, said third digital data being configured for being decrypted at said electronic transaction system using a user's public key.

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65. The method of claim 64 wherein said user's private key is generated by a key generation logic within said portable electronic authorization device.

66. The method of claim 63 further comprising:

10 authenticating said user prior to permitting said user to approve said transaction request using said portable electronic authorization device, said authenticating requires one of a password, a finger print, a voice print at a user authentication mechanism associated with said portable electronic authorization device.

15 67. The method of claim 63 wherein said user's private key is generated using a key generation logic within said portable electronic authorization device, thereby eliminating a need to transmit said user's private key from said electronic transaction system to said portable electronic authorization device.

20 68. The method of claim 63 wherein said transmitting said third digital data is performed via an infrared communication port associated with said portable electronic authorization device.

25 69. The method of claim 63 wherein said transmitting said third digital data is performed via a wireless RF communication port associated with said portable electronic authorization device.

30 70. The method of claim 63 wherein said transmitting said third digital data is performed via a contact-type parallel communication port associated with said portable electronic authorization device.

71. The method of claim 63 wherein said transmitting said third digital data is performed via a contact-type serial communication port associated with said portable electronic authorization device.

5

72. The method of claim 63 further comprising displaying said transaction request for viewing by said user on a display screen associated with said portable electronic authorization device.

10 73. The method of claim 63 further comprising activating an approval switch associated with said portable electronic authorization device if said transaction request is approved by said user.

15 74. The method of claim 63 wherein said first digital data represents an encrypted version of said transaction request encrypted using public key cryptography, wherein said receiving further comprising decrypting, using decryption logic associated with said portable electronic authorization device, said first digital data using a transaction partner's public key .

20 75. The method of claim 63 wherein said portable electronic authorization device is enclosed in a tamper-proof enclosure, said tamper-proof enclosure being configured to prevent said user's private key from being extracted from said portable electronic authorization device if said tamper-proof enclosure has been tampered with.

25 76. The method of claim 63 wherein said portable electronic authorization device is implemented on a single chip.

77. The method of claim 63 wherein said transmitting said third digital data is performed via a PC card communication port associated with said portable electronic authorization device.

78. The method of claim 77 wherein said transaction request represents a transaction request for a transaction conducted via a computer network, said electronic transaction system includes a computer coupled to said computer network, said portable electronic authorization device configured for plugging into a PC card slot of said computer to facilitate said receiving said first digital data.

79. The method of claim 63 wherein said portable electronic authorization device is configured for portability and includes a power source.

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80. The method of claim 63 wherein said transaction approval data comprises at least a portion of said transaction request, said transaction approval data further comprising identification data pertaining said user and a time stamp.

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81. The method of claim 63 further comprising configuring said portable electronic authorization device for said user by receiving configuration data from an issuer of an account capable of transaction via said portable electronic authorization device, said configuration data includes at least one of identification data pertaining said user and said private key.

20

82. The method of claim 63 wherein said transaction request represents a request for authenticating an electronic file, said transaction approval data includes an electronic signature attached to said electronic file.

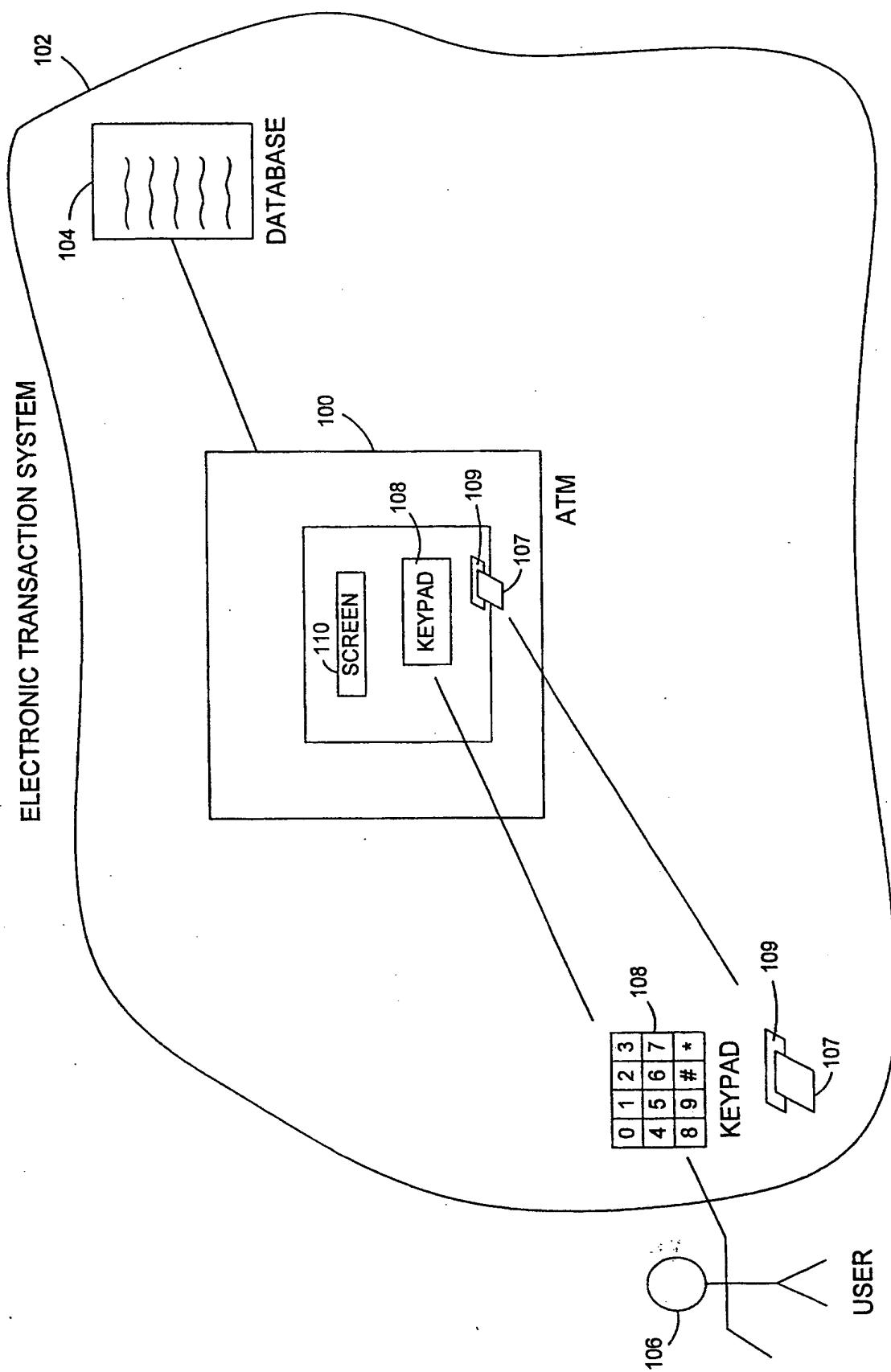
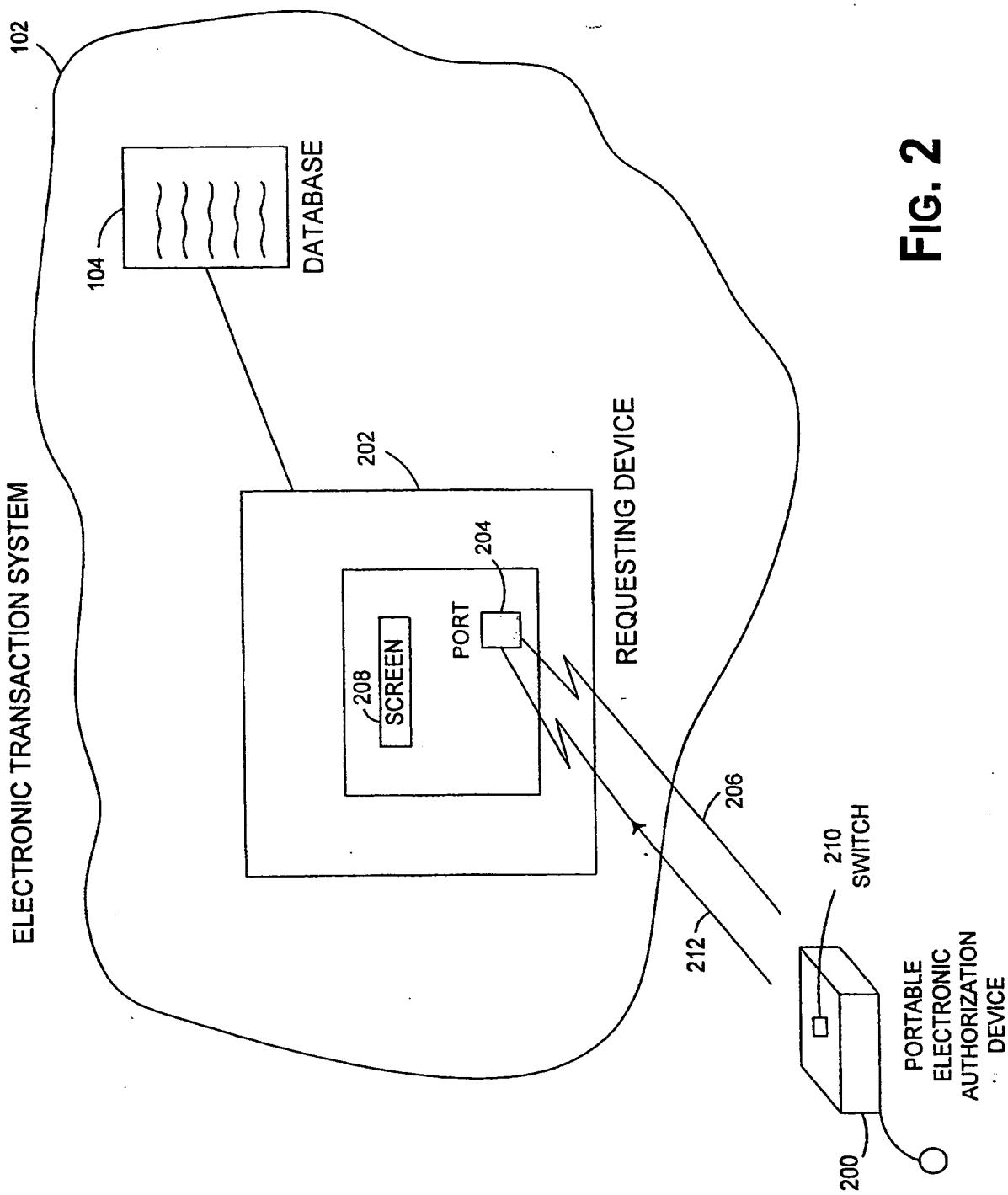


FIG. 1 (PRIOR ART)



PORTABLE ELECTRONIC AUTHORIZATION DEVICE

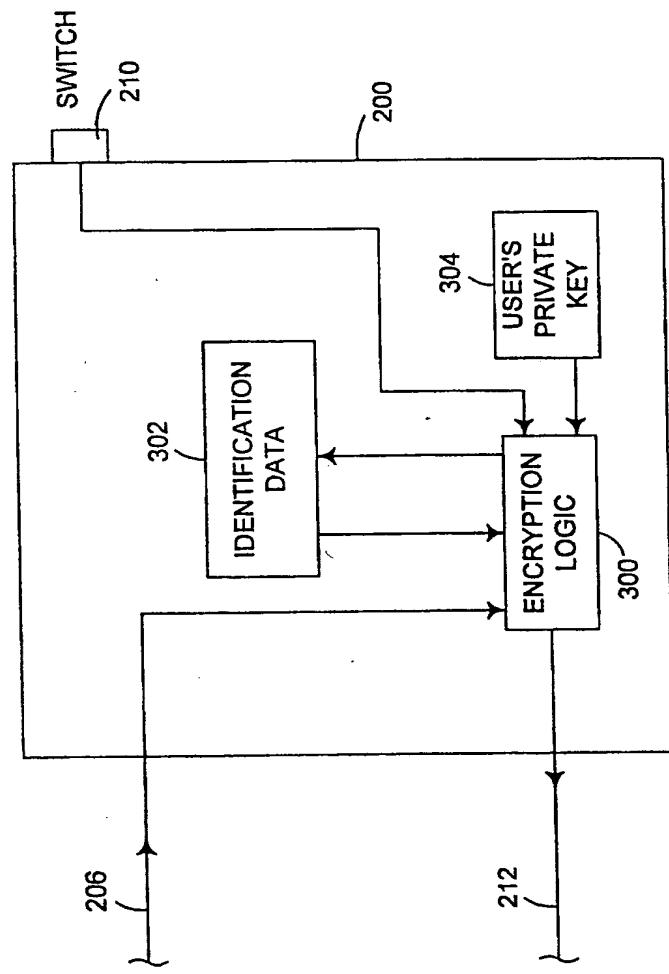


FIG. 3A

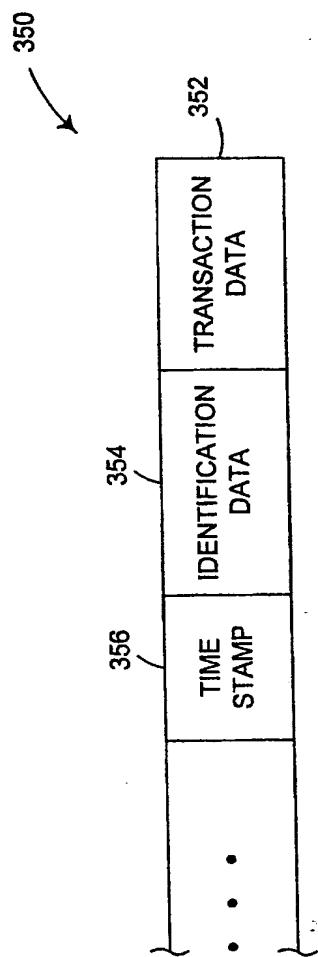


FIG. 3B

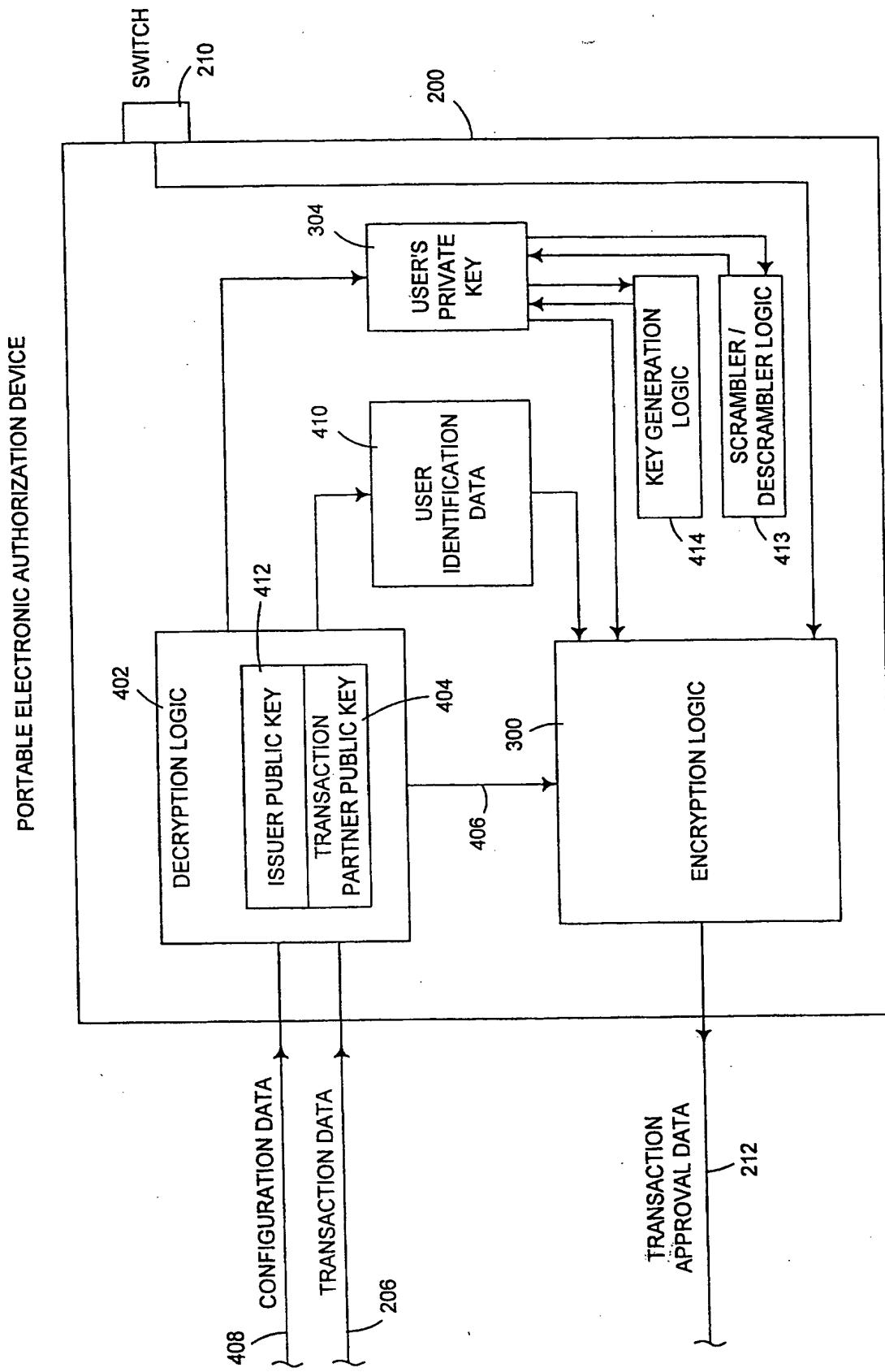


FIG. 4

PORTABLE ELECTRONIC AUTHORIZATION DEVICE

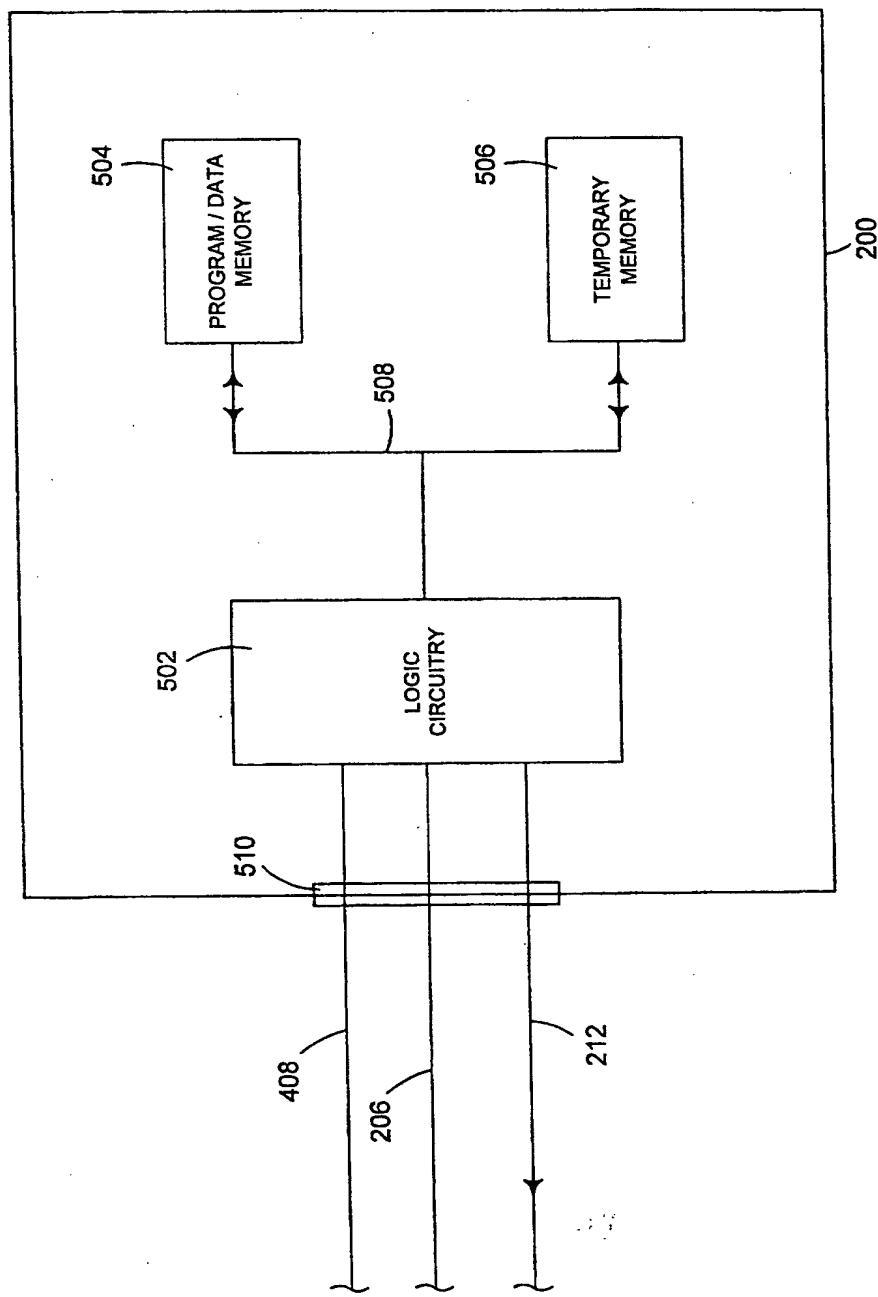


FIG. 5A

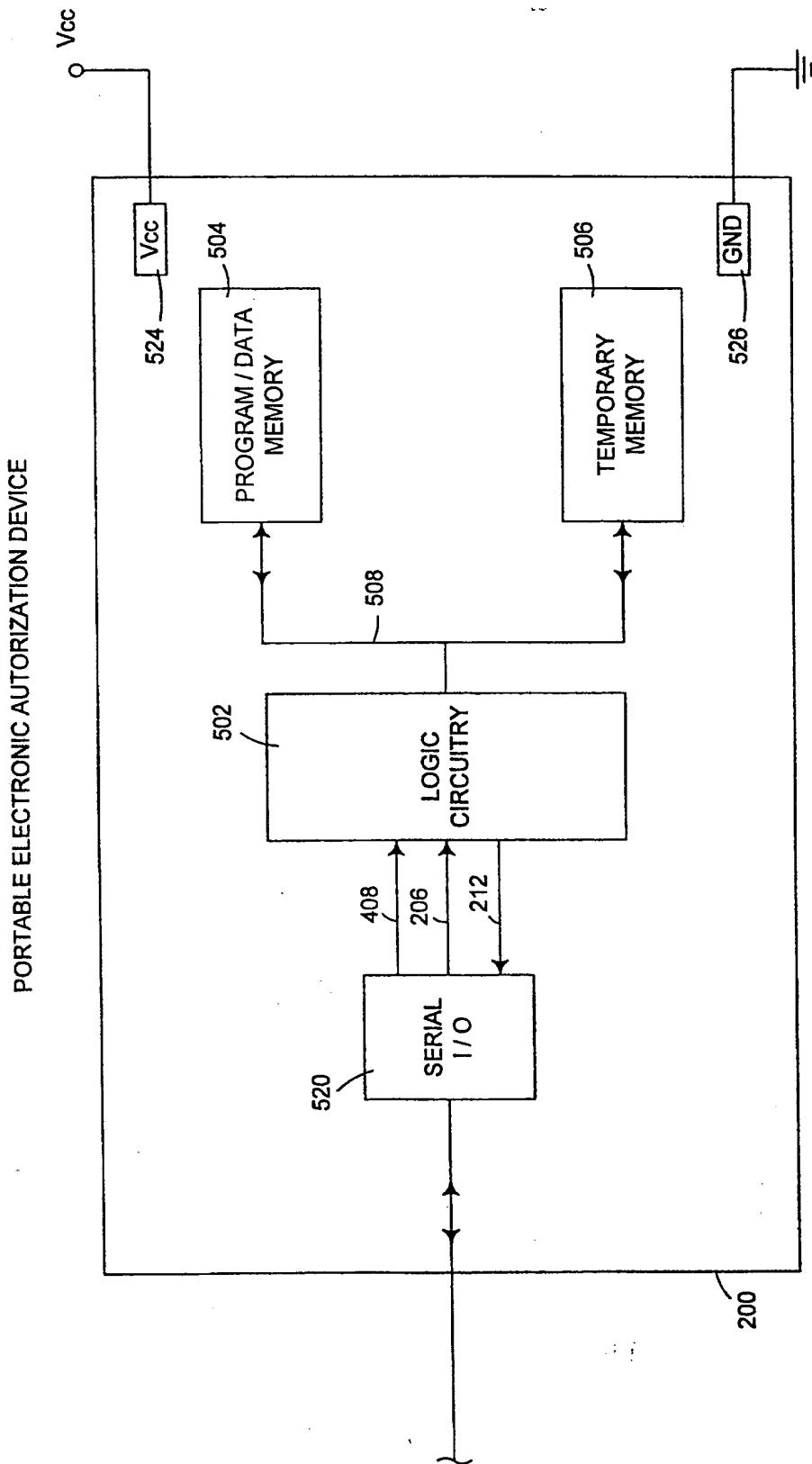
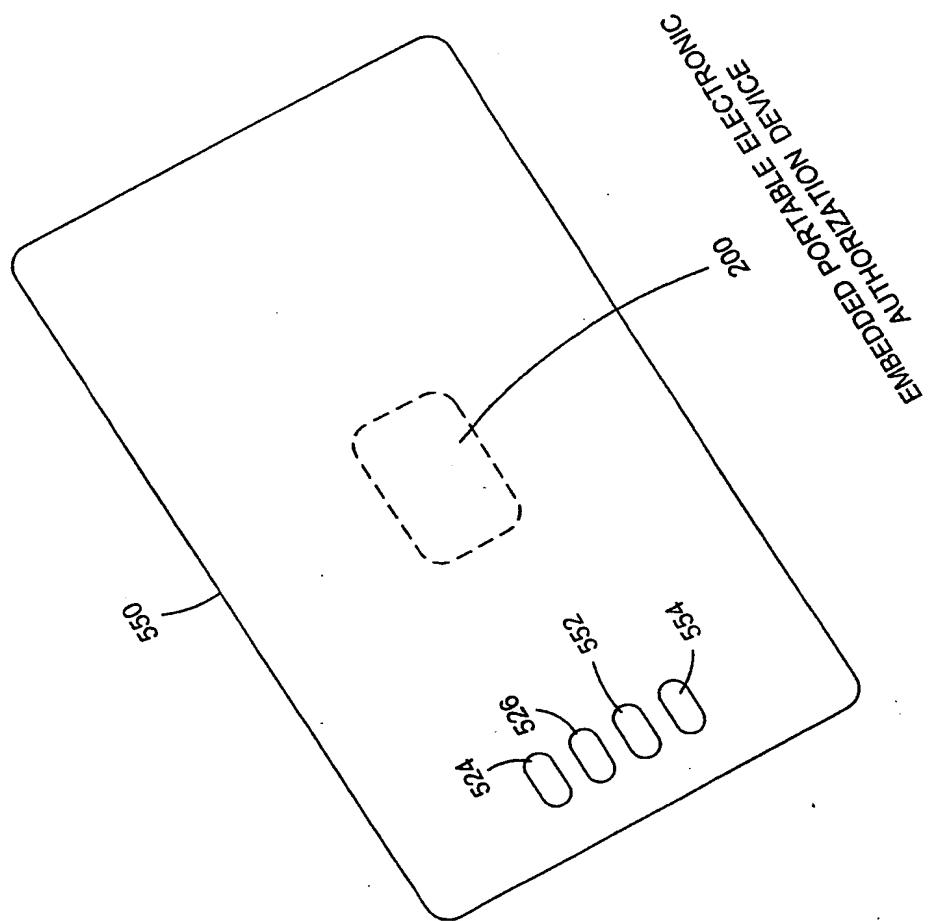


FIG. 5B

FIG. 5C



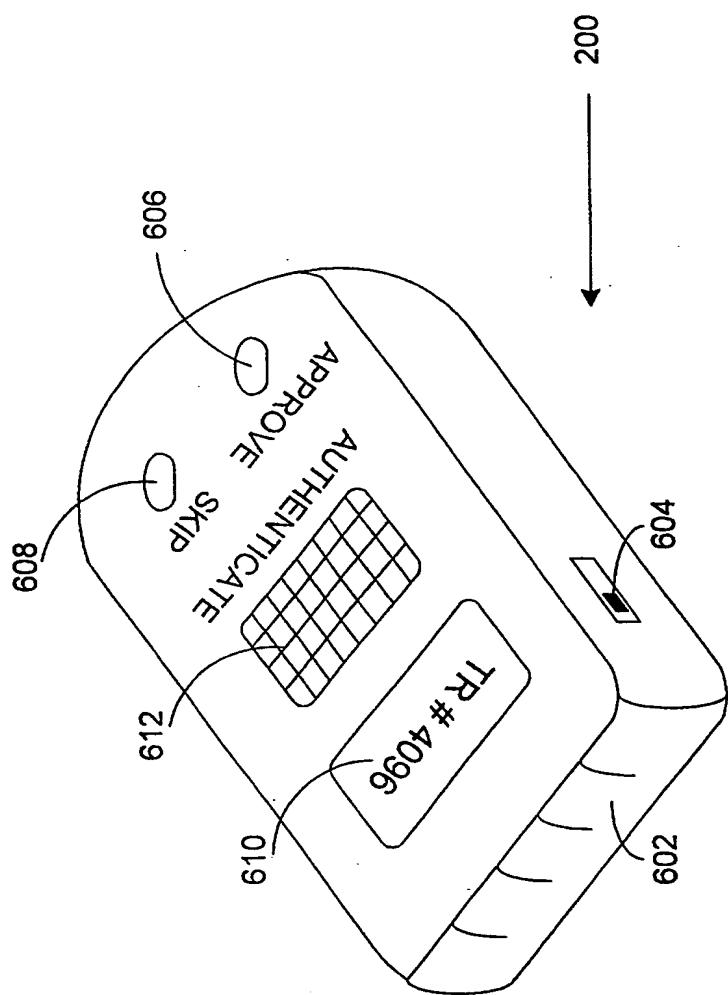
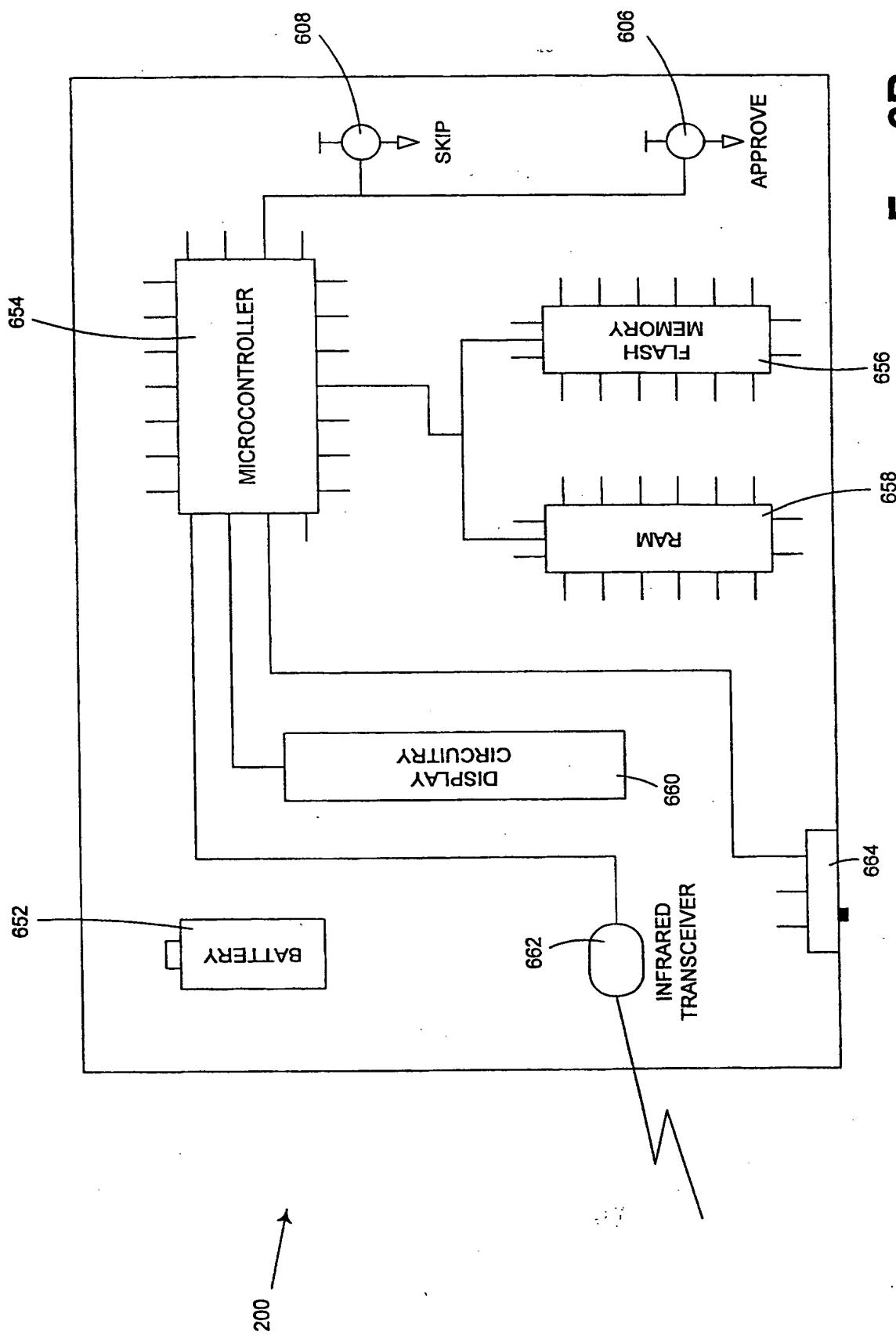


FIG. 6A

**FIG. 6B**

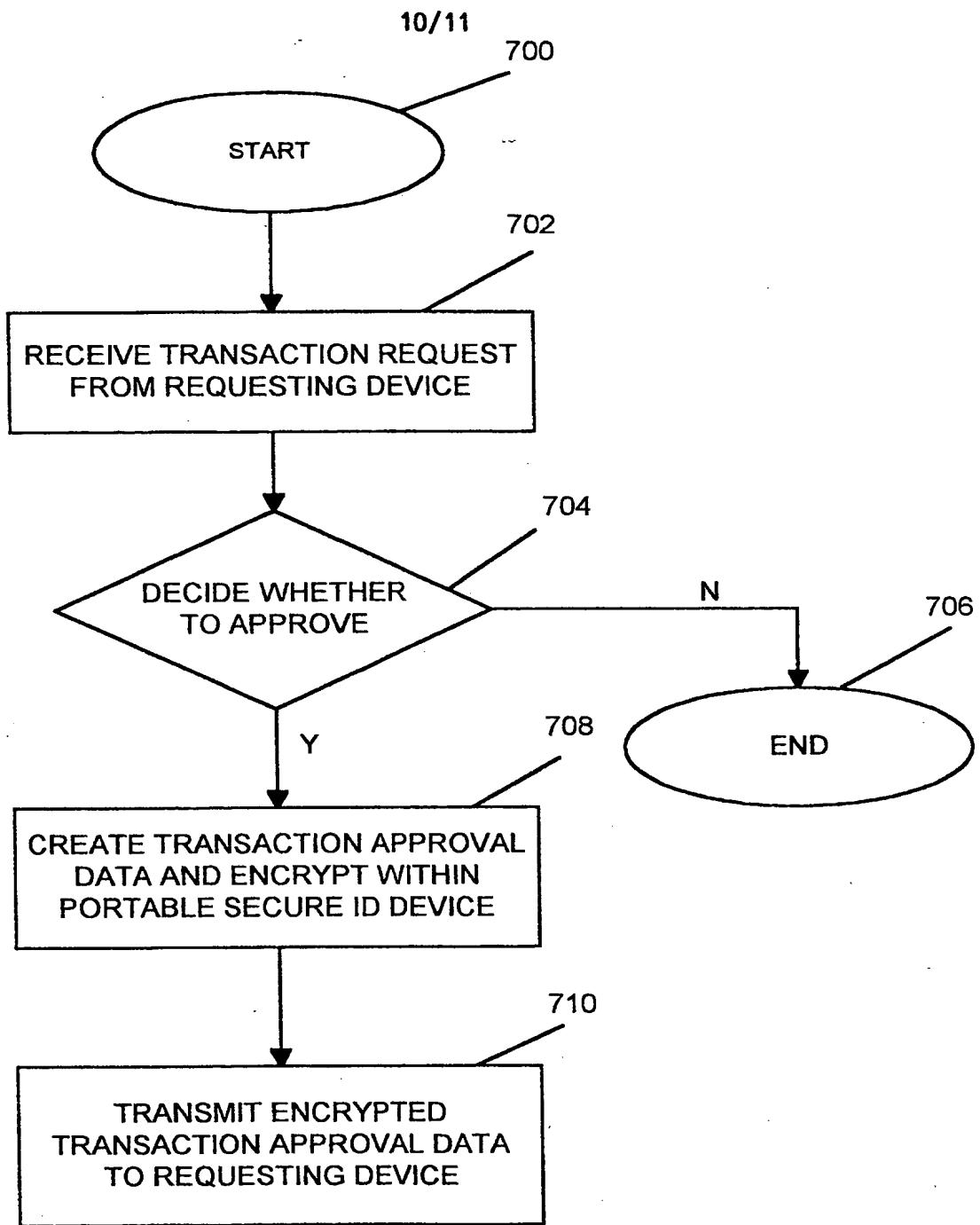


FIG. 7

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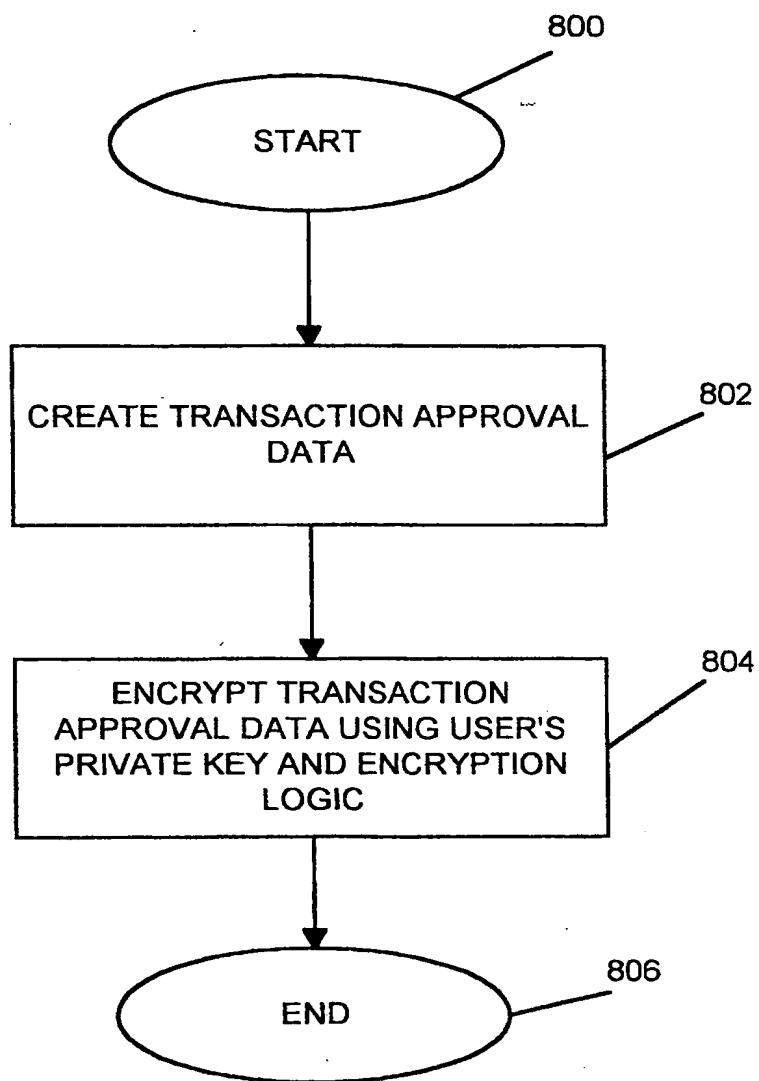


FIG. 8

INTERNATIONAL SEARCH REPORT

International application No.

PCT/US97/23125

A. CLASSIFICATION OF SUBJECT MATTER

IPC(6) :H04K 1/00, H04L 9/00

US CL :380/23, 25, 30; 235/382

According to International Patent Classification (IPC) or to both national classification and IPC

B. FIELDS SEARCHED

Minimum documentation searched (classification system followed by classification symbols)

U.S. : 380/23, 25, 30, 24, 4, 49, 28, 21; 235/382, 380

Documentation searched other than minimum documentation to the extent that such documents are included in the fields searched

Electronic data base consulted during the international search (name of data base and, where practicable, search terms used)

C. DOCUMENTS CONSIDERED TO BE RELEVANT

Category*	Citation of document, with indication, where appropriate, of the relevant passages.	Relevant to claim No.
A	US 5,373,561 A (HABER et al.) 13 December 1994	1-82
A	US 5,548,106 A (LIANG et al.) 20 August 1996	1-82
A	US 5,524,052 A (AUGUSTINE et al.) 04 June 1996	1-82
A	US 5,455,863 A (BROWN et al.) 03 October 1995	1-82
A	US 5,440,633 A (AUGUSTINE et al.) 08 August 1995	1-82
A	US 5,416,842 A (AZIZ) 16 May 1995	1-82
A, P	Fancher, "In your Pocket Smartcards", IEEE Spectrum February 1997, pp 47-53	1-82

 Further documents are listed in the continuation of Box C.

See patent family annex.

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Date of the actual completion of the international search

23 MARCH 1998

Date of mailing of the international search report

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C (Continuation). DOCUMENTS CONSIDERED TO BE RELEVANT

Category*	Citation of document, with indication, where appropriate, of the relevant passages	Relevant to claim No.
X, E	US 5,724,423 A (KHELLO) 03 March 1998, column 6, line 31 - column 16 line 61.	1-82
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